ESTIMATE OF COST REQUIREMENTS

1. Physical Examination of Dependents

In estimating the costs for the physical examination and/or evaluation of dependents, the following basic statistics were used:

> Average number of dependents going overseas per month

Current number of examinations (employees) per month

25X9A2

Dependent examination to be required per month by Operating Officials:

> FE Division NEA Division Others

25X9A2

Dependent examination required per month after review of Medical History Statement (5% of monthly average less those required by Operating Officials)

25X9A2

25X9A2

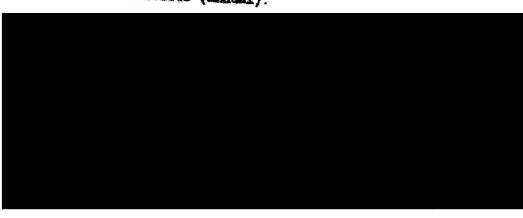
Voluntary examinations (75% of balance of

Total dependent examinations per month

25X9A2 This figure of see is approximately one-third (1/3) of the current 25X9A2 monthly examination workload (employees) of Accordingly, in order to increase this workload by one-third (1/3), the fc lowing is required

a. Personal services (annual):

25X1A



-1-

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b. Equipment:

One (1) 70 kM X-ray
One (1) Electrocardiograph
Equipment for two (2) Examining Rooms 6
\$600 each
1,200

Total Additional Equipment Costs \$ 12,850

Then.

\$26,005 / \$12,850 =

TOTAL COST OF PHYSICAL EXAMINATION OF DEFENDENTS FOR INITIAL YEAR

25X1A

25X9A2

2. Hospitalization and Medical Travel

In estimating the costs for hospitalization and medical travel, the following basic statistics were used:

hunder of employees oversees .

Number of dependents overseas (2.7 X number of employees)

25X9A2

Average number of persons hospitalised per year*

: 15 per thousand

Average length of hospitalization*

: 8.4 days

Average daily cost of hospitalization and medical travel per person*

: \$50

* Formula used by Office of the Surgeon General, Department of the Army.

The cost estimates are derived as follows:

Since,

haber of Employees 25X9A2

X 15 Employees hospitalized overseas

25X9A2

Number of Dependents

25X9A2

X 15 = Dependents hospitalized overseas per year

25X9A2

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DESTRUCTION AL And, Average length of hospitalization (8.4 days) X Cost per day (\$50) = Cost per year for hospitalization and medical travel per person * \$ 420: Then. 25X9A2 Cost per year for employee hospitalization and medical travel 25X9A2 Cost (gross) per year for depend-\$420 = 25X9A2 ent hospitalization and medical travel 25X9A2 But since for each of the 25X9A2 dependent hospitalizations, 25X1A is deductible, then 25X9A2 Cost (net) per year for dependent hospitalisation and medical travel: \$ 25X9A2 Therefore. 25X9A2 TOTAL COST OF HOSPITALIZA-TION AND MEDICAL TRAVEL 25X9A2 PER YEAR 3. Surmary Hence, the total costs for the initial year of the program is 25X9A2 . It should be noted that certain sonies are allocated by the Comptroller to date for overseas costs of hospitalization of employees. The transfer represents total cost. 25X9A2 It is estimated that the annual costs thereafter would be approxi-25X9A2